GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5691
ANSWERED ON:30.04.2003
DUES PENDING WITH IRAQ
VINAY KUMAR SORAKE

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether more than Rs.1200 crores stuck on Iraqi bonds is likely to be recovered with the imminent change in Iraqi regime ;

(b) if so, whether the Government had written off the amount because of sanctions against Iraq ;

(c) if so, the details thereof ;

(d) whether the US has promised to honour all non-military obligations of Iraq ;

(e) if so, whether India propose to stake its claim for the payment of the same ; and

(f) if so, the details thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI VINOD KHANNA)

(a) to (f) The Government of India and the Government of Iraq entered into a series of Deferred Payment of Agreements between 1983 and 1989 relating to payments for projects executed by Indian companies in Iraq. After the Gulf war in 1990 and the imposition of sanctions in Iraq, Iraq did not make any payments under the Deferred Payment Agreements and other receivables.The Government of India issued cash and bonds to Indian companies to the extent of approximately Rs.1568.72 crores against certified receivables from Iraq. US has not promised to honour of non-military obligations of Iraq.India has not written off the dues and the liability continues with the Government of Iraq.